Congressional Budget Office
Cost Estimate

March 26, 2024

H.R. 3229, Stop Foreign Funds in Elections Act

As reported by the House Committee on House Administration on December 14, 2023

By Fiscal Year, Millions of Dollars	2024	2024-2029	2024-2034
Direct Spending (Outlays)	*	*	*
Revenues	*	*	*
Increase or Decrease (-) in the Deficit	*	*	*
Spending Subject to Appropriation (Outlays)	*	*	not estimated

Increases *net direct spending* in any of the four consecutive 10-year periods beginning in 2035?	No	Statutory pay-as-you-go procedures apply?	Yes
		Mandate Effects	
Increases *on-budget deficits* in any of the four consecutive 10-year periods beginning in 2035?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	Yes, Under Threshold

* = between -$500,000 and $500,000.

H.R. 3229 would amend the Federal Election Campaign Act of 1971 to prohibit foreign governments, individuals, corporations, and other private groups from making contributions in connection with state or local ballot initiatives, referendums, or recall elections. Under current law, those foreign entities are prohibited from making donations to candidates running for federal, state, or local offices.

Based on the cost of similar activities, CBO estimates that implementing H.R. 3229 would cost the Federal Election Commission less than $500,000 over the 2024-2029 period. Any spending would be subject to the availability of appropriated funds.

Violators of the bill's campaign finance requirements could be subject to civil and criminal penalties, which are recorded in the budget as revenues. Criminal penalties are deposited in the Crime Victims Fund and later spent without further appropriation. CBO estimates that any increase in revenues and associated direct spending would not be significant because we expect the number of violators to be small.

H.R. 3229 would impose a private-sector mandate as defined in the Unfunded Mandates Reform Act (UMRA) by prohibiting foreign nationals from making contributions or donations in connection with a state or local ballot initiative, referendum, or recall election. Because some foreign nationals are private-sector entities under UMRA (such as corporations that operate within the United States but are organized in a foreign country), the new prohibition would impose a mandate. CBO estimates that the cost of the mandate would not exceed the private-sector threshold as established in UMRA ($200 million in 2024, adjusted annually for inflation).

The bill would not impose any intergovernmental mandates.

The CBO staff contacts for this estimate are Matthew Pickford (for federal costs) and Andrew Laughlin (for mandates). The estimate was reviewed by H. Samuel Papenfuss, Deputy Director of Budget Analysis.

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